

## **PRE-CONSTRUCTION CONFERENCE**

### **Introduction:**

Construction projects exceeding \$2,000, either partially or wholly funded with Federal Community Development Block Grant (CDBG) funds are subject to Davis Bacon Wage Act requirements and as a result the Federal Labor Standards Provisions must be included in the contract.

Federal Labor Standards Provisions apply to salary and wage rates, fringe benefits, hours of work, “kickbacks”, classification of labor, qualifications for employment, overtime compensation, health and safety measures, equal employment opportunity and other related matters.

Also, the Contractor/Subcontractor is required to comply with Equal Opportunity, Section 3, and Minority Business Enterprise (MBE) Participation requirements.

As recipient of CDBG Grant funds, the City of Wichita’s Grants Coordination Division has the responsibility to administer and enforce the labor standard provisions for all applicable construction programs.

### **PURPOSE**

The purpose of the preconstruction conference is to briefly review and hopefully answer all questions relating to the labor standards provisions in order to ensure no confusion exists relative to the responsibilities of the contractor/subcontractor (s) prior to the start of construction.

### **FEDERAL LABOR PROVISIONS**

Davis Bacon Wage Act requires the contractor and subcontractors to pay all of the employees working on this project no less than the wage rates listed in the wage decision  
\_\_\_\_\_ which was included in your bid specifications.

Payrolls must be submitted weekly and employees working over 40 hours in a pay period on this project must be paid overtime not less than one and one half (1 1/2) times his basic rate of pay for all hours worked in excess of forty (40) hours in a week. Information contained on your payroll is subject to verification through employee interviews.

In the event of a violation, the contractor/subcontractor(s) shall be liable to any affected employee for his unpaid wages as well as to the United States for liquidated damages.

The contractor and all of its subcontractor’s need to review the wage determination that applies to this project and if there is a work classification that will be performed that is not listed in the wage determination that contractor/subcontractor needs to contact Grants Coordination immediately (268-4367).

A copy of the applicable wage decision shall be posted by the contractor at the site of the work in a prominent place readily accessible to the workmen for the duration of the project.

## **MBE:**

Additionally, City of Wichita Administrative Regulation No.63 requires Minority Business Enterprise (MBE) participation on each construction project funded with CDBG funds in an amount no less than the amount specified on the MBE Utilization Commitment form included in your bid specification packet.

Administrative Regulation No. 63 also requires:

- a. Purchasing and the Administering Organization to ensure the MBE has executed a binding contract to provide a specific service or material for no less than the required MBE amount **prior to approval of the general contract. (A copy of the contract must be provided to Grants Coordination).**
- b. The administering Organization shall, prior to authorizing final payment, obtain joint written assurance of confirmation from the MBE(s) that payment of the required participation amount was made. A copy of the confirmation will be submitted to Grants Coordination to authorize final payment. **A form for this purpose (“Certification of MBE Payment”) will be provided in the contractor’s packet.**

Only bonafide MBE’s on the City’s certified MBE list may be used to meet the MBE participation requirement as contractors or suppliers. You should verify whether the MBE you plan to use is certified by calling Shirley Mast, Buyer, Department of Finance (12nd Floor) at **268-4508**.

## **EEO/AA**

You and your subcontractors must also be approve as an Equal Employment Opportunity/ Affirmative Action employer in order to do business with the City. Compliance information can be obtained from **Shirley Mast, Buyer, Department of Finance (12nd Floor) at 268-4508. Contractors/Subcontractors must be approved prior to beginning construction.**

**SECTION 3 REQUIREMENTS** (If applicable, applies to projects exceeding \$100,000 and contractor/subcontractor contracts exceeding \$100,000).

Section 3 of the Housing and Urban Development Act of 1968, as amended, requires that, to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area (Wichita) and contracts for work on the project be awarded to eligible business concerns which are located in, or owned in substantial part, by persons residing in the area of the project (Wichita). This requirement of Section 3 does not set aside or supersede the requirements of State law relative to bidding where such are applicable.

## **BEFORE CONSTRUCTION BEGINS**

1. Ensure Contractor/Subcontractor(s) are EEO/AA approved and MBE is on the City’s certified MBE list.
2. Notify Grants Coordination (268-4367) of construction start date.
3. If apprentices are being used, contractor/subcontractor requested and received certification of apprentice program from a registered apprentice program which has been registered with the DOL, Bureau of Apprenticeship and Training (BAT) or with a BAT-recognized State Apprenticeship

Agency (SAC).

4. The following forms must be submitted:
  - a. Contractor/Subcontractor's Certification (prime contractor and all subcontractors)*
  - b. MBE Contract or Purchase Order for materials*
  - c. Certification Regarding Lobbying*
  - d. Contractor/Subcontractor Acknowledgment (prime contractor and all subcontractors)*
5. **Contractors/Subcontractors must ensure that, for all work being performed on this project, there is a proper work classification listed in the wage determination that applies to this project.** If not, Grants Coordination (Marty Miller) must be contacted immediately.

## **Contractor Acknowledgment**

**Project –**

On the date indicated below, I attended a preconstruction conference as an authorized representative of

\_\_\_\_\_  
Contractor

At said preconstruction conference the Federal Labor Standards Provisions were explained, and copies of the following were provided:

1. Federal Labor Standards Provisions (Includes Davis Bacon, Contract Work Hours and Safety Standards Act, Copeland Act (Anti-Kickback Act), and Fair Labor Standards Act)
2. Wage Decision No. \_\_\_\_\_ (To be posted on site)
3. Employee's Letter
4. Sample Payrolls (How to Complete Payroll Forms)
5. Pre-construction Checklist
6. Instructions for Preparation of Statement of Compliance
7. Assurance of Compliance with Section 3
8. Payroll Form (WH347)
9. Statement of Compliance (WH348)
10. Contractor's Certification
11. Certification Regarding Lobbying
12. Notice to Employees Poster (Contractor Only - to be posted on construction site)
13. Job Safety and Health Poster (Contractor Only - to be posted on construction site)
14. Certification of MBE payment
15. Section 3 Compliance Forms Packet (**Prime \$100,000, Subcontractor \$100,000**)
16. Grants Coordination shall be notified immediately if the contractor or one of it's subcontractors has a work classification being performed on this project that is not listed in the Wage Decision shown above.

I understand the Federal Labor Standards Provisions and agree that \_\_\_\_\_

Contractor

will fulfill its responsibilities thereunder.

\_\_\_\_\_  
Representative of Contractor

***Federal Tax I.D. Number***

\_\_\_\_\_  
Date

***FEDERAL LABOR STANDARDS INFORMATION***

***FEDERAL LABOR STANDARDS PROVISIONS***

***&***

***WAGE DECISION***

***(Provided By HUD)***

FOR THIS PROJECT

To Employees of: \_\_\_\_\_  
(Company Name)

Working on:

This project is funded with federal funds provided to the City of Wichita. As such, certain federal requirements apply. There is a federal wage decision No. \_\_\_\_\_ that applies to this project and you are to be paid no less than the rate indicated for the particular job you do on the project.

Your employer is obligated to inform you of your work classification and duties on this job. It is permissible to work in more than one job classification on this job and you are to be paid the highest rate applicable to any one day unless separate time records are kept showing the time worked and pay rate in each classification, and such records are reflected in preparing the payroll. This does not include incidental work in other classifications. It does, however, mean that if you are classified and paid as a laborer for example, and you drive a truck, finish concrete or operate power equipment, you are to be paid the wage rate applicable to that classification.

Additionally, you are entitled to time and a half pay over 40 hours a week on this job alone. No deduction may be made from your pay except those authorized by law, or approved by you.

Your employer submits weekly payrolls to this office and you may be contacted/interviewed to verify the payroll information. Such information is confidential and can only be released in very specific circumstances. You are urged to retain payroll slips or stubs that can be examined in case questions arise regarding wages and hours worked on this job.

If you have any questions at all about wages on this job, you should contact Marty Miller, Controller's Office - CDBG, City of Wichita, 12th Floor, City Hall, 455 N. Main, (316) 268-4367.

Marty Miller  
Grants Coordinator

***GO TO***  
***How to Complete Payroll Forms***

## **PRECONSTRUCTION CHECKLIST FOR CONTRACTORS: MEETING LABOR STANDARDS CONTRACT REQUIREMENTS**

- I. INTRODUCTION. The following checklist has been prepared to assist contractors and subcontractors in meeting contractual labor standards responsibilities. All major administrative and procedural activities have been covered in the sequence they will occur as the construction project proceeds. Careful attention to and use of the checklist should result in a minimum of problems with respect to labor standards.
- II. EXPLANATORY NOTES. The word “employer” as used below refers to the project contractor, each subcontractor, or each lower-tiered subcontractor. Payrolls and other documentary evidence of compliance (Marked with (asterisk) are required to be sent to the recipient for review (all to be submitted through the project contractor). The delivery procedure is as follows:
- A. Each lower-tier subcontractor, after careful review, submits required documents to the respective subcontractor.
  - B. Each subcontractor, after checking his own and those of each lower-tier subcontractor he may have, submits required documents to the contractor.
  - C. The contractor, after reviewing all payrolls and other documentation, including his own, and correcting violations where necessary, submits all the recipient.

All employers should check each of the following statements as being true. If any statement is not true, the contractor or his representative should contact the recipient for special guidance.

III. BEFORE CONSTRUCTION BEGINS EACH EMPLOYER HAS:

- \_\_\_ A. Not been debarred or otherwise made ineligible to participate in any federal or federally-assisted project.
- \_\_\_ B. Received appropriate contract provisions covering labor standards requirements.
- \_\_\_ C. Reviewed and understands all labor standards contract provisions.
- \_\_\_ D. Received the wage decision as part of the contract.
- \_\_\_ E. Requested through the recipient and received the minimum wage for each classification to be worked on the project which was not included on the wage decision by the additional classification process and before allowing any such trade(s) to work on the project.
- \_\_\_ F. Requested and received certification of his apprentice program from the State’s Bureau of Apprenticeship and Training (recognized by USBAT) and submitted copy thereof to the recipient prior to employment on the project. Likewise, “trainee” applicable, must be submitted.

IV. AT CONSTRUCTION START THE CONTRACTOR HAS:

- \_\_\_ A. Notified recipient of construction start date in writing.
- \_\_\_ B. Has placed each of the following on a bulletin board prominently located on the project site which can be seen easily by the workers ( and replaced if lost or unreadable any time during construction):
  - Wage Decision
  - Notice to Employees (WH 1321)
  - Safety and Health Protection on the Job (DOL)
- \_\_\_ C. Before assigning each project worker to work, has obtained worker’s name, best mailing address, and Social Security Number (for payroll purposes).



PRECONSTRUCTION CHECKLIST  
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- \_\_\_ D. Has obtained a copy of each apprentice's certificate with the apprentice's registration number and his year of apprenticeship from the State BAT.
- \_\_\_ E. Has informed each worker of:
  - \_\_\_ 1. His work classification (journeyman or job title) as it will appear on the payroll.
  - \_\_\_ 2. His duties of work.
  - \_\_\_ 3. The U.S. Department of Labor's requirement on this project that he is either a journeyman, apprentice, or laborer -
    - \_\_\_ If journeyman, he is to be paid journeyman's minimum wage rate or more;
    - \_\_\_ If apprentice, he is to be paid not less than the apprentice's rate for the trade based on his year of apprenticeship; or
    - \_\_\_ If laborer, he is to do laborer's work only - not use any tool or tools of the trade - and not perform any part of a journeyman's work - and is to be paid the laborer's minimum wage rate or more.
- \_\_\_ F. Understands the requirements that each laborer or mechanic who performs work on the project in more than one classification within the same work week shall be classified and paid at the highest wage rate applicable to any of the work which he performs unless the following requirements are met:
  - \_\_\_ 1. Accurate daily time records shall be maintained. These records must show the time worked in each classification and the rate of pay for each classification, and must be signed by the workman.
  - \_\_\_ 2. The payroll shall show the hours worked in each classification and the wage rate paid for each classification.
  - \_\_\_ 3. The payroll shall be signed by the workmen or a signed copy of the daily time record shall be attached thereto.
- \_\_\_ G. Has informed each worker of his hourly wages (not less than the minimum wage rate for his work which is stated in the Wage Decision).
  - \_\_\_ 1. Time and a half for all work over 40 hours any work week (see Contract Work Hours Safety Standards Act).
  - \_\_\_ 2. Fringe benefits, if any (see Wage Decision for any required) Note: Fringe benefits that also include a percentage (example \$1.10 + 3%) means you have to add 3% times the base rate to the fringe amount to get the total fringe benefit.
  - \_\_\_ 3. Deductions from his pay.
- \_\_\_ H. Has informed each worker that he is subject to being interviewed on the job by the recipient or a HUD, Department of Labor, or other U.S. Government Inspector, to confirm that his employer is complying with all labor requirements.
- \_\_\_ I. Has informed each journeyman and each apprentice that a journeyman must be on the job at all times when an apprentice is working.

V. DURING CONSTRUCTION

- \_\_\_ A. Each employer:
  - \_\_\_ 1. Has not selected, assigned, paid different pay rates to, transferred, upgraded, demoted, laid off, nor dismissed any project worker because of race, color, religion, sex, or national origin.
  - \_\_\_ 2. Has employed all registered apprentices referred to him through normal channels up to the applicable ratio of apprentices to journeyman in each trade used by the employer.
  - \_\_\_ 3. Will maintain basic employment records accessible to inspection by the recipient or U.S. Government representatives.

## PRECONSTRUCTION CHECKLIST

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- \_\_\_ 4. Is complying with all health and safety standards.
- \_\_\_ 5. Has paid all workers weekly.
- \_\_\_ 6. Has submitted weekly payrolls.
- \_\_\_ a. Prepared on recommended Form WH-347:

Available from:

Superintendent of Documents  
Government Printing Office  
Washington, D.C. 20402

Contractors who wish to purchase the forms shall be urged to enter their orders promptly because the Superintendent of Documents takes six weeks to fill orders. It is permissible for contractors to reproduce the forms if the wish.

Some employers place all project workers on Payroll Form WH-347. The recipient does not review those project workers listed on the payroll who perform work which is descriptive of any of the following job titles from labor requirements:

Project superintendent  
Project engineer  
\_\_\_ Supervisory foreman (less than 20% of time as a working foreman)  
Messenger  
Clerical workers  
Timekeepers  
Payroll clerks  
Bookkeepers

Any alternate payroll form used should be cleared with HUD before employer starts work on the project. A project payroll printout by computer, for example, is acceptable provided all data shown and required on the front and back of Payroll Form WH-347 is on, or included with the payroll submitted to recipient.

- b. Front Page of Payroll (Form WH-347)

Heading (6 blocks of information)

- \_\_\_ 1. Name of Employer. Name of employer is stated, showing whether contractor or subcontractor.
- \_\_\_ 2. Address. Street address or P.O. Box, City, State, and Zip Code of Employer is stated.
- \_\_\_ 3. Payroll Number. Each weekly payroll is numbered in sequential order (starting with Payroll No. "1").
  - \_\_\_ If employer's workers perform no physical work on the project during work week, he has to submit a "No Work" letter for that work week or submit a blank payroll, numbered in sequence, with the information at the top filled out..i.e. name & address of contractor, payroll number, for week ending, project and location and project or contract number.
  - \_\_\_ Payroll of employer's final work week on the project (completion of his work) is marked "Final".
- \_\_\_ 4. For Week Ending. The last date of the work week is stated in this "block".
- \_\_\_ 5. Project and Location. Name of project and city in which located is stated.
- \_\_\_ 6. Column 1 - Worker's Name, as it appears on his paycheck, is stated.
  - \_\_\_ Worker's best mailing address and social security number is stated on Payroll number 1 or the payroll on which his name first appears.
  - \_\_\_ If worker changes his residential address while working on the project, his new address is stated on the next applicable payroll.

# PRECONSTRUCTION CHECKLIST

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If any two or more workers have the same name, their social security numbers are included on the payroll to note separate identification.

7. Column 2 - No. of Withholding Exemptions is for employer's convenience - not required by HUD to be completed.

8. Column 3 - The Work Classification (job title) for the worker is included in the Wage Decision and denoted the work that worker actually performed.

Note: If the applicable classification is not included in the Wage Decision, the contractor should call the recipient immediately, and request classification by Additional Classification.

Apprentice. If worker is an apprentice, his State BAT registration number and year of apprenticeship is included in this column the first time the apprentice's name appears on the payroll.

Split Classification. If worker has performed more than one class of work during the work week, such as carpenter and laborer, the division of work will be shown on separate lines of the payroll.

Accurate daily time records show the exact hours of work performed daily in each class of work, and are signed by the by the affected workman.

Each class of work he performed is stated in Column 3 in separate "blocks".

His name is repeated in corresponding "blocks" in Column 1.

His name is repeated in corresponding "blocks" in Column 1.

The breakdown of hours worked daily under each work classification is stated in Column 4, and total for week in Column 5.

The applicable wage rate for each classification of work is stated in Column 6.

The payroll is signed by the workman in the related "blocks" or a signed copy of the daily time records are attached to the payroll.

If the above is not done, the worker is paid at least the highest minimum wage rate of all of the classes of work performed for all hours worked.

Notes:

Average Pay of Two Classes of Work Not Accepted. The employer shall not pay a "semi-journeyman" or semi-skilled laborer the average of journeyman's and laborer's rates. The actual hours each worker uses tools of trade (journeyman) and each hour he does not use tools of the trade (laborer) must be recorded in separate "blocks" in Column 3 of the payroll.

Helper. The work classification of "helper" is not accepted by the Department of HUD, unless included in the Wage Decision issued by the Secretary of Labor for the project. Any employee listed as "helper" in absence of such classification in Wage Decision must be paid the journeyman's rage for hours he uses tools of the trade.

9. Column 4 - Hours Worked, Each Day and Date for work week are stated.

Overtime Hours ("O"), if any are stated separately from straight hours ("S") for over 40 hours in any work week.

10. Column 5 - Total Hours worked during the work week are stated (the sum of subcolumns in Column 4) - straight and overtime hours recorded separately.

11. Column 6 - Rate of Pay, not less than the (see Wage Decision) is stated.

The Overtime Rate of Pay is not less than 1 ½ times the worker's basic straight hourly rate of pay (see Contract Work Hours Safety Standards Act).

Apprentices. If a copy of the apprentice's registration certificate from the State BAT has not been submitted to recipient by employer (through contractor), apprentice must be paid journeyman's rate.

PRECONSTRUCTION CHECKLIST  
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- \_\_\_\_ Piece Worker. Piece work must be stated in Column 6 at an hourly rate, the gross pay divided by the total number of hours worked on the project during the work week.
- \_\_\_\_ 12. Column 7 - Gross Amount Earned equals straight hours shown in Column 5 times straight rate of pay shown in Column 6, plus overtime hours (if any) shown in Column 5 times overtime rate of pay shown in Column 6.
- \_\_\_\_ 13. Column 8 - Deductions. Each deduction made is required by law,  
\_\_\_\_ Voluntarily authorized by the worker in writing before the work week began,  
\_\_\_\_ or,  
\_\_\_\_ Provided in a bargaining agreement to be deducted from the respective worker's pay.
- \_\_\_\_ 14. Column 9 - Net Wages stated are Column 7 minus total deductions shown in Column 8.
- \_\_\_\_ c. Back of Payroll (Form WH347)
- \_\_\_\_ 1. Each employer has:
- \_\_\_\_ Completed all blank spaces and understands the penalties for falsification.
- \_\_\_\_ Checked Item 4 if fringe benefits are included in the Wage Decision for any of his workers -
- \_\_\_\_ 4 (a) if fringe benefits are paid to approved fund(s), or
- \_\_\_\_ 4 (b) paid directly to each affected worker (paid in cash) - included in paycheck for the work week - his paycheck representing at least the pay of the applicable minimum wage rate plus the amount of required fringe benefits.
- \_\_\_\_ Manually signed the payroll in the block marked signature, and stated his title.
- \_\_\_\_ The person who signed the payroll is the employer or an official of the employer who legally is authorized to act for the employer.
- \_\_\_\_ d. Weekly Payroll Review. Each employer has promptly:
- \_\_\_\_ Reviewed the weekly payroll for compliance with all labor requirements (using this checklist) and made necessary corrections.
- \_\_\_\_ Each lower-tier subcontractor has submitted his weekly payroll or "no work" letter to the respective subcontractor for the subcontractor to have received within 3 calendar days from the last date of the work week.
- \_\_\_\_ Each Subcontractor has received a payroll or "no work" letter from each of his lower-tier subcontractors, reviewed each and his own payroll, required necessary corrections, and submitted all of such payrolls to the contractor to have received within 5 calendar days from the last date of the work week.
- \_\_\_\_ Contractor has received a payroll or "no work" letter from each subcontractor and each lower-tier subcontractor, monitored each including his own payroll, required necessary corrections, and collectively submitted them to the recipient within 7 work days of the last date of the respective work week.

VI. AFTER PROJECT COMPLETION

- \_\_\_\_ Each employer will keep all weekly payrolls on the project for 3 years after the project completions date.

## **INSTRUCTIONS FOR PREPARATION OF STATEMENT OF COMPLIANCE**

This statement of compliance meets needs resulting from the amendment of the Davis-Bacon Act to include fringe benefits provisions. Under this amended law, the contractor is required to pay fringe benefits as predetermined by the Department of Labor, in addition to payment of minimum rates. The contractor's obligation to pay fringe benefits may be met by payment of the fringes to the various plans, funds, or programs or by making these payments to the employees as cash in lieu of fringes.

The contractor should show on the face of his payroll all monies paid to the employees whether as basic rates or as cash in lieu of fringes. The contractor shall represent in the statement of compliance that he is paying to others fringes required by the contract and not paid as cash in lieu of fringes. Detailed instructions follow:

### Contractors who pay all required fringe benefits:

A contractor who pays fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor shall continue to show on the face of his payroll the basic cash hourly rate and overtime rate paid to his employees, just as he has always done. Such a contractor shall check paragraph 4(a) of the statement to indicate that he is also paying to approved plans, funds, or programs not less than the amount predetermined as fringe benefits for each craft. Any exception shall be noted in Section 4(c).

### Contractors who pay no fringe benefits:

A contractor who pays no fringe benefits shall pay to the employee and insert in the straight time hourly rate column of his payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the applicable wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringes, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on the basic or regular rate plus the required cash in lieu of fringes at the straight time rate. To simplify computation of overtime, it is suggested that the straight time basic rate and cash in lieu of fringes be separately stated in the hourly rate column, thus \$3.25/.40. In addition, the contractor shall check paragraph 4(b) of the statement to indicate that he is paying fringe benefits in cash directly to his employees. Any exceptions shall be noted in Section 4(c).

### Use of Section 4(c), Exceptions

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the employees as cash in lieu of fringes. Any exceptions to Section 4(a) or 4(b), whichever the contractor may check, shall be entered in Section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid the employees as cash in lieu of fringes, and the hourly amount paid to plans, funds, or programs as fringes.

**SECTION 3 CLAUSE**  
**EMPLOYMENT OPPORTUNITIES FOR BUSINESSES AND**  
**LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS**

A. General. Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701 u., and Sec. 7 (d), Department of HUD Act, 42 U.S.C. 3535 (d) is applicable to all projects assisted by any Department program in which loans, grants, subsidies or other financial assistance, including community development block grants under the Act are provided in aid of housing, urban planning, development, redevelopment or renewal, public or community facilities and new community developments.

B. Assurance of Compliance.

1. The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

2. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

3. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

4. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development 24 CFR 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

5. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.
6. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
7. Noncompliance with HUD's regulations at 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
8. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires to the greatest extent feasible (I) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7 (b).

**(If Prime Contractor's Contract is Over \$100,000)**  
**INSERT SECTION 3 PACKET**

## **SECTION 3 INFORMATION**

Section 3 is a Federal Requirement pertaining to employment and economic opportunities for low and low/moderate income persons. The requirement is triggered for a Community Development Block Grant assisted project when the amount of the contract for a contractor or the contractor's subcontractor(s) exceeds \$100,000.

Section 3 Business Concern - is defined as:

A business concern that is 51 percent or more owned by Section 3 residents; or whose permanent full-time employees currently include at least 30 percent Section 3 residents (or who were Section 3 residents within 3 years of employment); or provides evidence of commitment to subcontract in excess of 25 percent of all subcontracts to Section 3 business concerns.

Section 3 resident - is defined as:

A public housing resident; or a resident of the metropolitan area who is: low/moderate income (less than 80 percent of area median income), or low income (less than 50 percent of area median income). [a person seeking training and employment preference as Section 3 bears the responsibility of providing evidence of eligibility]

Goal for employment - 30 percent of new hires

Goal for contracts/subcontracts - 10 percent to Section 3 businesses

Record keeping/reporting

Reports on HUD Form 60002 are to be submitted at the completion of the project or annually as of June 30th.



***GO TO***

***PAYROLL FORM - WH347***

***STATEMENT OF COMPLIANCE FORM - WH348***

***&***

***CONTRACTOR'S/SUBCONTRACTOR'S CERTIFICATION FORM***

## CERTIFICATION REGARDING LOBBYING

The successful bidder certifies, to the best of his or her knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid by or on behalf of the bidder, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the Federal contract, grant, loan, or cooperative agreement, Standard Form-LLL, "Disclosure For to Report Lobbying", shall be completed and submitted in accordance with its instructions; and
3. The language of this certification shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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Company

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Signature

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Date

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Name and Title of Signer ( Please Print or Type)

**CDBG FUNDS MINORITY BUSINESS ENTERPRISE  
CERTIFICATION OF MBE PAYMENT**

**Project Name/No.**

The prime contractor and the MBE certifies full and complete payment has been made to the Minority Business Enterprise listed below.

Breach of the MBE commitment constitutes breach of the prime contractor's contract. The prime contractor understands and agrees that failure to make the required MBE payments shall be grounds for withholding final payment to the prime contractor.

NOTE: In the event there is more than one MBE, a separate form must be filled out for each MBE.

Prime Contractor's Authorized  
Signature

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Date)

MBE Authorized Signature(s)

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Authorized Signature)

\$ \_\_\_\_\_  
(Amount Paid)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Authorized Signature)

\$ \_\_\_\_\_  
(Amount Paid)

\_\_\_\_\_  
(Date)

# Contractor/Subcontractor Checklist

1. The Contractor and Subcontractor Certification forms provided in the packet must be filled out and turned in before construction starts.
2. The general contractor is responsible for subcontractor compliance with federal labor standards provisions and required submittals.
3. The contractor shall notify Grants Coordination (268-4367) of the construction start date.
4. Time on the job for each contractor/subcontractor is to be accounted for from initial work on the job until work is finished.
  - a. Weekly payrolls are to be submitted within one week after completion of the work week.
  - b. The first payroll for a contractor/subcontractor (when work starts) is to be marked Payroll No. 1 in the box provided on the payroll form. Each week, thereafter, a payroll form is to be submitted, and numbered in sequence from the previous payroll. If there is no work during a work week after work is first begun, a payroll may be submitted with the top portion completed, and the notation in large letters across the lower part of the form of "No Work This Week".
  - c. An employee's address and social security number is to be shown on the first payroll.
  - d. The contractor/subcontractor Federal Tax Identification number is to shown in the upper left hand corner of the first payroll.
5. Payrolls are to be signed in ink by the owner or an officer of the firm shown on the completed Contractor/Subcontractor Certification form. Someone else may sign the Statement of Compliance only if the owner or an officer of the company provides written authorization to Grants Coordination, Controller's Office, 12th Floor, City Hall, 455 North Main, Wichita, KS 67202.
  - a. Only one copy of the payroll is required to be submitted.
  - b. All payrolls are to be submitted through the prime contractor.
6. If an apprentice is included on a payroll, written evidence is to be submitted that they are individually registered in a bona fide apprenticeship program registered with the Department of Labor (DOL) or State Apprenticeship Agency recognized by the DOL. Local union certification will not suffice. Written evidence is to be submitted to Grants Coordination.
7. If fringe benefits are part of the wage decision, the Statement of Compliance must indicate whether fringe benefits are paid to an approved plan or program, or paid in cash. See instructions provided in the pre-construction conference packet regarding how to complete the Statement of Compliance. Call Grants Coordination (268-4367) if you have questions about eligible fringe benefits, or how to calculate.
8. A working contractor with no employees must show name, address, social security number, hours worked and job classification on the payroll. Note that you are a "Self-Employed Owner".
9. Work normally paid as "piece work" such as fencing and carpet layers, must be translated to a per hour rate and shown as an hourly rate on the payroll.

**DATE:**

1. Minimum wages, per Wage Decision \_\_\_\_\_ must be paid weekly.
2. Overtime is to be paid over 40 hours in a week at 1 ½ times the basic rate.
3. Workers are to be classified according to the Wage Decision and are to be informed of that classification. If work is done in more than one classification, the higher rate applies unless the hours and wages are split out and shown on separate line of the payroll. If a work classification will be performed that is not on the wage determination the prime or subcontractor should contact Grants Coordination immediately before construction begins.
4. Payrolls are to be submitted on payroll form WH-347 or similar form weekly with the Statement of Compliance form WH-348. An alternate payroll form is acceptable as long as all required information is included. The required information is spelled out in the checklist provided.
5. Contractor's Certification was provided to be completed and returned before construction is started.

6. The contractor was informed of the responsibility to assure the following would be posted on site, and was provided copies.
  - a. Wage Decision
  - b. “Notice to Employees” poster
  - c. “Safety and Health on the Job” poster
7. The contractor was also provided a for letter to give employees concerning wage requirements. A packet of sample payrolls was also provided.
8. The contractor was advised to contact [Marty Miller](#) at 268-4367 if they have any questions on federal labor standards.
9. The contractor was advised that a copy of the contract between the contractor and MBE had to be provided to the City before construction could begin. Also, before final payment could be made the MBE Verification of Payment form, provided at this conference, had to be filled out, signed and returned to the City.

**EEO/AAP:**

Human Services staff were not present to discuss EEO/AAP requirements. However, CDBG staff explained that all contractors and subcontractors had to be authorized and approved to do business with the City and that any questions addressing EEO/AAP should be addressed to Ms. Shirley Mast, 268-4691, and MBE to Annie Montgomery 268-4691.

**SUBCONTRACTORS:**

NAME	ADDRESS	AMOUNT OF CONTRACT